GOVERNMENT OF ANDHRA PRADESH
ABSTRACT

R&B Dept-APRDC-APSHP-widening and strengthening of Renigunta-Naidupeta, Renigunta-Puttur and Chandragiri-Puthalapatty Road, APSH-5 - Orders of Hon'ble High Court in CMAMP No.981 of 2017 in CMA 598 of 2017 - Payment of decretal amount of Arbitral Award –Release of an amount of Rs. 32,90,52,315/- towards decretal amount of Arbitral Award - Administrative Sanction – Orders – Issued.

TRANSPORT, ROADS & BUILDINGS (R.III) DEPARTMENT

G.O.RT.No. 7 Dated: 08-01-2019

Read the following:-

1) Orders of the City Civil Court, Hyderabad in O.P No 2511 of 2011, dated 3-8-2016
2) From the ENC(R&B) Admn, SH, EAP, CP & MD, APRDC, AP, Lr.No.1765/APSH-5/ Legal/PD/EE(PPP)/DEE-1/AEE-8/2017, dt.01.09.2017.
3) Orders of Hon'ble High Court, CMAMP No.981 of 2017 in CMA 598 of 2017, dated 07-07-2017
4) Memo.No.17023/2/R.III(1)/2017, TR&B(R.III)Dept, dt.23.10.2017
5) From the ENC(R&B) Admn, SH, EAP, CP & MD, APRDC, AP, Lr.No.1765/APSH-5/Legal/PD/EE(PPP)/DEE-1/AEE-8/2017, dated:30.10.2017.
6) Orders of Hon'ble Supreme Court of India in Special Leave Petition (Civil) Diary No.16713 of 2018, dated 20-7-2018.
7) From the ENC(R&B) Admn, SH, EAP, CP & MD, APRDC, AP, Lr.No.1765 /APSH- 5/Legal/PD/EE(PPP)/DEE-1/AEE-8/2017, dt.017.08.2018 & 20-12-2018.

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The work widening and strengthening of Renigunta-Naidupeta, Renigunta-Puttur and Chandragiri-Puthalapattu Road was taken up as part of Andhra Pradesh State Highways Project under the World Bank loan assistance during the year 1999-2000 for a contract amount of Rs. 103,26,77,418/-. The Contractor for the this work, M/s Somdatta Builders Limited, New Delhi, commenced the work on 17-04-1999 and the work scheduled to be completed within 30 months ie., by 16-10-2001 was completed on 28-01-2004 with a delay of 27 months and 12 days.

2. The contractor submitted the statement at completion (Pre-Final Bill) to the consultant Engineer on 28-01-2004 by including claims of additional amount of Rs. 50,52,14,313/-. The consultant/Engineer's services were terminated on 16-06-2004 and while the consultant was in India in connection with their obligations under the terminated contract, he made some recommendations on the said claims of the contract on 14-11-2004 to the Employer for accepting some claims and rejecting some claims.

3. The Contractor approached the Dispute Review Board (DRB) contesting the recommendations of erstwhile Consultant/Engineer. The DRB gave their recommendations on 25-04-2006 recommending the claims of the contractor and not satisfied with the said recommendations the contractor referred the matter to arbitration on 05-05-2006. The Arbitral Tribunal was constituted on 29-07-2006 and the Employer appointed Sri.M.Y.K.Rayudu, Senior Legal Counsel. The arbitral award was passed on 19-08-2011 allowing practically all the claims of the contractor for a total amount of Rs. 19,27,25,153/- Plus (+) 12% interest there on.

4 . Aggrieved by the award, the ENC(R&B) Admn, SH, EAP, CP & MD, APRDC has filed an O.P No 2511 of 2011 in the City Civil Court, Hyderabad. In the orders 1st read above, The Hon'ble IIIrd Additional Chief Judge, City Civil Court, Hyderabad has dismissed the OP stating that, "In the light of the above authorities, this court, neither re-appreciate the evidence or revise the findings of the Arbitral Tribunal nor any part of the impugried award altracts the provisions of section 34 of the Act to enable the court to interfere with the award in any aspect".

(p.t.o.)

5 . Aggrieved by the judgment a Miscellaneous Appeal No 598 of 2017 was filed before the Hon'ble High Court against the judgment and decree of the lower court. The Hon'ble High Court vide their orders 3rd read abve in CMA MA No 981 of 2017 in CMA No 598 of 2017 has granted stay of further proceedings in pursuance of order and decree, dated: 03-08-2016 in OP. No 2511 of 2011 on the file of learned IIIrd Additional Chief Judge, City Civil Court, Hyderabad subject to applicant/appellant depositing to the credit of said OP before the Court below, the costs and 50% of the awarded amount along with interest accrued there on within ten weeks from today. On such deposit, respondent No 1 is permitted to withdraw 50% of the deposited amount without furnishing security and the balance 50% on finishing of bank guarantee.

6. In the light of the orders of Hon'ble High Court in the reference 3rd read above , the ENC(R&B) Admn, SH, EAP, CP & MD, APRDC has filed a Special Leave Petition before Hon'ble Supreme Court on 01.05.2018. In the reference 6th read above, the Hon'ble Supreme Court of India has dismissed Special Leave Petition (Civil) Diary No.16713 of 2018, dt. 07.07.2018 on the ground that there is no merit in the case.

7. In the circumstances stated above and after careful examination of the matter, Government hereby accord administrative sanction for an amount of Rs.32,90,52,315/ - (Rupees Thirty Two Crore Ninty Lakh Fifty Two Thousand Three Hundred and Fifteen only) for depositing the same in the Lower Court as ordered by the Hon'ble High Court in CMAMP No.981 of 2017 in CMA 598 of 2017, dt.07.07.2017 for the work of "Widening and Strengthening of Renigunta-Naidupeta, Renigunta-Puttur and Chandragiri-Puthalapatty Road, APSH-5".

8. The amount sanctioned in the Para (7) above, shall be met from the Head of Account "5054 Capital Outlay on Roads and Bridges – 04 District and Other Roads – MH.337 Road works– GH.11 State Development Plan – SH (33) Corenet Work Roads –530 Major Works – 531 Works".

9. The ENC(R&B) SH & MD, APRDC, Vijayawada, A.P., shall take further action accordingly.

10. This order issues with the concurrence of Finance (FMU.TR&B) Dept., vide their Uo.No.FMU0MRAS/9/TR&B/2018 . Dated 02.01.2019.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

NEERABH KUMAR PRASAD
SPECIAL CHIEF SECRETARY TO GOVERNMENT

To
The ENC(R&B) SH & MD, APRDC, Vijayawada, A.P.,
Copy to:
The Finance (FMU.TR&B) Department, A.P.
The Director of Treasuries & Accounts, A.P., Vijayawada.
The Director of Works & Accounts, A.P., Vijayawada..
The Pay and Accounts Officer, Vijayawada.
The P.S. to Minister for R&B.
The P.S. to Spl.Chief Secretary, to Govt., TR&B Deptt.
Sf/Sc.

//Forwarded By Order//

SECTION OFFICER.